

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE APPLICATION OF THE)	
FUEL ADJUSTMENT CLAUSE OF INTER-)	CASE NO. 96-537
COUNTY RURAL ELECTRIC COOPERATIVE)	
CORPORATION FROM NOVEMBER 1, 1994)	
TO OCTOBER 31, 1996)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on November 14, 1996 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Inter-County Rural Electric Cooperative Corporation ("Inter-County") for the two years ended October 31, 1996.

As part of this review, the Commission ordered Inter-County to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Inter-County has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. Inter-County has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.

2. East Kentucky Power Cooperative, Inc. ("EKPC"), the wholesale supplier of Inter-County, has been authorized to transfer (roll-in) a 0.23 mills per Kwh decrease in its base fuel cost to its base rates.¹

3. Inter-County should be authorized to transfer (roll-in) a 0.24 mills per Kwh decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.23 mills per Kwh decrease in EKPC's base rates. This transfer can best be accomplished by a negative energy adder to each Kwh sold.

4. The rates and charges in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Inter-County through the FAC for the period November 1, 1994 to October 31, 1996 are approved.

2. Inter-County is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by EKPC from its FAC to its base rates.


3. The rates in Appendix A are approved for service rendered by Inter-County on and after September 1, 1997.

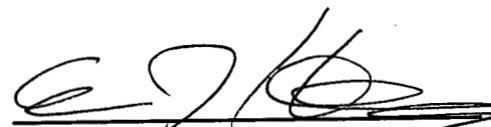
4. Within 30 days of the date of this Order, Inter-County shall file with the Commission revised tariff sheets setting out the rates approved herein.


¹ Case No. 96-522, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 1994 to October 31, 1996.

Done at Frankfort, Kentucky, this 20th day of August, 1997.

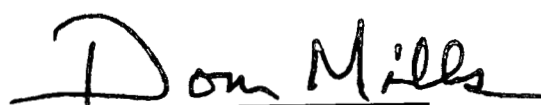
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 96-537 DATED AUGUST 20, 1997

The following rates and charges are prescribed for the customers in the area served by Inter-County Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

SCHEDULE 1 FARM AND HOME SERVICE

Rate:

First 500 KWH Per Month	\$0.06080 Per KWH
All over 500 KWH Per Month	0.05546 Per KWH

SCHEDULE 1-A FARM AND HOME MARKETING RATE

Rate:

All KWH Per Month	\$0.03328 Per KWH
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SCHEDULE 2 SMALL COMMERCIAL AND SMALL POWER

Rate:

<u>Energy Charge</u>	
First 1,000 KWH Per Month	\$0.07005 Per KWH
All over 1,000 KWH Per Month	0.05756 Per KWH

SCHEDULE 4 LARGE POWER RATE (LPR)

Rate:

All KWH Per Month	\$0.04835 Per KWH
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SCHEDULE 5 ALL ELECTRIC SCHOOL (AES)

Rate:

All KWH Per Month	\$0.05064 Per KWH
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SCHEDULE 6
OUTDOOR LIGHTING SERVICE - SECURITY LIGHT

Rate:

7,000 Lumen Security Light	\$ 6.03 Per Lamp Per Month
4,000 Lumen Decorative Colonial	8.29 Per Lamp Per Month
27,000 Lumen Directional Floodlight	8.21 Per Lamp Per Month
50,000 Lumen Directional Floodlight	11.18 Per Lamp Per Month
27,500 Lumen Cobra Head	7.60 Per Lamp Per Month

SCHEDULE B 1
INDUSTRIAL RATE

Rate:

Energy Charge	\$0.02712 Per KWH
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SCHEDULE B 2
INDUSTRIAL RATE

Rate:

Energy Charge	\$0.02212 Per KWH
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SCHEDULE B 3
INDUSTRIAL RATE

Rate:

Energy Charge	\$0.02112 Per KWH
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SCHEDULE C 1
INDUSTRIAL RATE

Rate:

Energy Charge	\$0.02745 Per KWH
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SCHEDULE C 2
INDUSTRIAL RATE

Rate:

Energy Charge	\$0.02245 Per KWH
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SCHEDULE C 3
INDUSTRIAL RATE

Rate:

Energy Charge	\$0.02145 Per KWH
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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE APPLICATION OF THE)	
FUEL ADJUSTMENT CLAUSE OF GRAYSON)	CASE NO. 96-533
RURAL ELECTRIC COOPERATIVE CORPORATION)	
FROM NOVEMBER 1, 1994 TO OCTOBER 31, 1996)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on November 14, 1996 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Grayson Rural Electric Cooperative Corporation ("Grayson") for the two years ended October 31, 1996.

As part of this review, the Commission ordered Grayson to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Grayson has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. Grayson has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.

2. East Kentucky Power Cooperative, Inc. ("EKPC"), the wholesale supplier of Grayson, has been authorized to transfer (roll-in) a 0.23 mills per Kwh decrease in its base fuel cost to its base rates.¹

3. Grayson should be authorized to transfer (roll-in) a 0.25 mills per Kwh decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.23 mills per Kwh decrease in EKPC's base rates. This transfer can best be accomplished by a negative energy adder to each Kwh sold.

4. The rates and charges in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Grayson through the FAC for the period November 1, 1994 to October 31, 1996 are approved.

2. Grayson is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by EKPC from its FAC to its base rates.

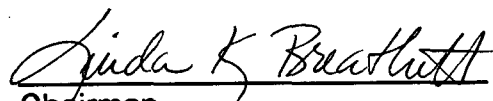
3. The rates in Appendix A are approved for service rendered by Grayson on and after September 1, 1997.

4. Within 30 days of the date of this Order, Grayson shall file with the Commission revised tariff sheets setting out the rates approved herein.

¹ Case No. 96-522, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 1994 to October 31, 1996.

Done at Frankfort, Kentucky, this 20th day of August, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 96-533 DATED AUGUST 20, 1997.

The following rates and charges are prescribed for the customers in the area served by Grayson Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

SCHEDULE 1 DOMESTIC - FARM & HOME SERVICE

Rate:

Energy Charge	\$.05658 Per KWH
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SCHEDULE 2 COMMERCIAL AND SMALL POWER 50 KVA OR LESS, INCLUDING PUBLIC BUILDINGS, SCHOOLS, CHURCHES, ETC.

Rate:

Energy Charge	\$.05658 Per KWH
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SCHEDULE 3 OFF-PEAK MARKETING RATE THREE-PHASE FARM SERVICE

Rate:

On-Peak Rate	
All KWH/Month	\$.05658 Per KWH
Off-Peak Rate	
All KWH/Month	.03395 Per KWH

SCHEDULE 4 LARGE POWER SERVICE - SINGLE AND THREE- PHASE - 50-600 KVA(T)

Rate:

Energy Charge	\$.03747 Per KWH
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SCHEDULE 5
STREET LIGHTING SERVICE

Base Rate Per Light Per Year:

For the following monthly charges, the Cooperative will furnish, install and maintain the lighting fixtures and accessories, including hardware, control, lamps, overhead wiring, etc. and the energy required.

<u>Lamp Size</u>	<u>Mercury Vapor Lamps</u>
7,000 Lumens	\$5.90

SCHEDULE 6
OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS

Rate Per Light Per Month:

7,000 Lumens Mercury Vapor Lamp	\$5.70
10,000 Lumens Mercury Vapor Lamp	7.54

SCHEDULE 7
ALL ELECTRIC SCHOOLS (A.E.S.)

Rate:

Energy Charge	\$.03810 Per KWH
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SCHEDULE 8
SEASONAL SERVICES - SERVICES ACTIVE LESS THAN
NINE (9) MONTHS OUT OF A YEAR

Rate:

Energy Charge	\$.07508 Per KWH
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SCHEDULE 12(A)
LARGE INDUSTRIAL LLF
1,000 - 4,999 KVA

Rate:

Energy Charge	\$.02765 Per KWH
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SCHEDULE 12(B)
LARGE INDUSTRIAL LLF
5,000 - 9,999 KVA

Rate:

Energy Charge

\$.02265 Per KWH

SCHEDULE 12(C)
LARGE INDUSTRIAL LLF
10,000 KVA AND OVER

Rate:

Energy Charge

\$.02165 Per KWH

SCHEDULE 13(A)
LARGE INDUSTRIAL HLF
1,000 - 4,999 KVA

Rate:

Energy Charge

\$.02765 Per KWH

SCHEDULE 13(B)
LARGE INDUSTRIAL HLF
5,000 - 9,999 KVA

Rate:

Energy Charge

\$.02265 Per KWH

SCHEDULE 13(C)
LARGE INDUSTRIAL HLF
10,000 KVA AND OVER

Rate:

Energy Charge

\$.02165 Per KWH

SCHEDULE 14(A)
LARGE INDUSTRIAL MLF
1,000 - 4,999 KVA

Rate:

Energy Charge

\$.02765 Per KWH

SCHEDULE 14(B)
LARGE INDUSTRIAL MLF
5,000 - 9,999 KVA

Rate:

Energy Charge

\$.02265 Per KWH

SCHEDULE 14(C)
LARGE INDUSTRIAL MLF
10,000 KVA AND OVER

Rate:

Energy Charge

\$.02165 Per KWH